

## EXHIBIT 1

January 31, 1972 Development Permit 00001



## State of Montana

## DEPARTMENT OF STATE LANDS

Capitol Building  
Helena, Montana 59601  
Phone 406/449-2074

## DEVELOPMENT PERMIT

Pursuant to Chapter 252, Laws of Montana, 1971, requiring permits for the conduct of development, mining and related activities.

Permit No. \_\_\_\_\_

00001

This permit when executed by the Commissioner of State Lands and the Operator shall authorize the permittee to conduct development work specified herein. All maps, plans and specifications submitted by the permittee shall become a part of this permit, if approved by the Commissioner of State Lands.

<b>Name and Address of Operator</b> Construction Products Division W. R. Grace & Co. P. O. Box 609 Libby, Montana 59923	<b>Description of Development Area</b> Vermiculite Mountain and Rainy Creek Drainage North East of Libby				
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;"> <b>Section</b>            10, 14, 15,            21, 22, 23,            26, 27, 28         </td> <td style="width: 25%;"> <b>T</b> <input checked="" type="checkbox"/> <b>N</b>  <b>S</b> <input type="checkbox"/> </td> <td style="width: 25%;"> <b>R</b> <input type="checkbox"/> <b>E</b>  <b>W</b> <input checked="" type="checkbox"/> <b>MPM</b> </td> <td style="width: 25%;"> <b>County</b>            Lincoln         </td> </tr> </table>	<b>Section</b> 10, 14, 15, 21, 22, 23, 26, 27, 28	<b>T</b> <input checked="" type="checkbox"/> <b>N</b> <b>S</b> <input type="checkbox"/>	<b>R</b> <input type="checkbox"/> <b>E</b> <b>W</b> <input checked="" type="checkbox"/> <b>MPM</b>	<b>County</b> Lincoln
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<b>STATEMENT OF PROPOSED DEVELOPMENT METHODS:</b> drilling, trenching, etc. (all applicable activities set forth in the Rules and Regulations) and the location and description of primary support roads and facilities.  Development will be by clearing, excavation and grading for construction of an ore treatment mill with conveyors, transmission lines and water line in Section 22, settling ponds and tailings piles in Sections 10, 15, 21, 22, alteration of naturally flowing streams in Sections 10, 15, 21, 22, 27, 28, removal of overburden preparatory to open pit mining in Sections 22, 23, 26, placing waste from the mining operation and overburden removal in Sections 22, 27, 28. Construction of access roads and mine haulage ways will occur in Sections mentioned in conjunction with previously noted development.					
<b>ESTIMATED ACREAGE TO BE DISTURBED IN NEXT 12 MONTHS:</b> 320 <b>ESTIMATED ACREAGE TO BE DISTURBED IN LIFE OF DEVELOPMENT:</b> 1200					
<b>ESTIMATED RECLAMATION COST PER ACRE:</b>  Permit Issued by  Commissioner of State Lands  January 31, 1972 Date  This permit is valid from <u>January 31</u> 19 <u>72</u> to <u>January 30</u> , 19 <u>73</u>	STATE OF MONTANA County of <u>Lincoln</u> } ss. <b>AFFIDAVIT</b>  As evidenced by his signature below the appropriate statement (1 or 2), the operator states that:  1. any lands disturbed by him (it) during mineral exploration, mineral development, or mining activities in the state of Montana within two years prior to this date, but not prior to the date of promulgation of the Board's rules and regulations, is or is in the course of being reclaimed in accordance with the provisions of Chapter 252, Laws of Montana, 1971.  Signature <u>R. A. Oliveira</u> Title <u>Mgr. Libby Operations</u>  2. he (it) with this permit form is submitting information as requested by the Department of State Lands; such information being sufficient to assure the Department of State Lands that any lands disturbed by exploration, development, or mining by applicant in the State of Montana during the two (2) years prior to the application for said permit but not prior to the date of promulgation of the Board's rules and regulations, will be restored in accordance with the provisions of Chapter 252, Laws of Montana, 1971.  Signature <u>R. A. Oliveira</u> Title <u>Mgr. Libby Operations</u>  Subscribed and sworn to before me this <u>3<sup>rd</sup></u> day of <u>November</u> , 19 <u>72</u>  Notary Public for the State of Montana Residing at <u>Libby, Mont.</u> My Commission expires <u>July 10, 1972</u>				
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"> <b>FEE RECEIVED:</b>            22401         </td> <td style="width: 33%;"> <b>PLAN APPROVED:</b>            January 27, 1972         </td> <td style="width: 33%;"> <b>BOND FILED:</b>            January 6, 1972         </td> </tr> </table>	<b>FEE RECEIVED:</b> 22401	<b>PLAN APPROVED:</b> January 27, 1972	<b>BOND FILED:</b> January 6, 1972		
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This permit may not be issued by the Commissioner of State Lands unless the following requirements are met: 1. The operator must: a. pay a fee of \$25.00; b. submit a suitable map or vertical aerial photograph showing topographic, cultural, drainage features and the location of the development work; c. submit a proposed reclamation plan (See Rules and Regulations.) 2. The reclamation plan is subject to the approval of the Commissioner of State Lands. 3. Upon approval of the reclamation and development plan, the operator must file a performance bond for the acres to be disturbed during the next 12 months at an amount per acre specified by the Commissioner.					